

**THE CORPORATION OF THE  
TOWN OF HUNTSVILLE  
TRUST FUNDS FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2017**



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**INDEPENDENT AUDITORS' REPORT  
TRUST FUNDS**

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To the Members of Council, Inhabitants and Ratepayers of the Corporation of the Town of Huntsville

**Report on the Financial Statements**

We have audited the accompanying financial statements of the trust funds of the Corporation of the Town of Huntsville, which comprise of the statement of financial position as at December 31, 2017 and the statement of financial activities and changes in accumulated surplus for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Township's management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the trust funds of the Corporation of the Town of Huntsville as at December 31, 2017, and its statement of financial activities and changes in accumulated surplus for the year then ended in accordance with Canadian public sector accounting standards.

Huntsville, Ontario  
May 30, 2018

Pahapill and Associates Professional Corporation  
Chartered Professional Accountants  
Authorized to practise public accounting by  
The Chartered Professional Accountants of Ontario

**THE CORPORATION OF THE TOWN OF HUNTSVILLE TRUST FUNDS**  
**STATEMENT OF FINANCIAL ACTIVITIES AND CHANGES IN ACCUMULATED SURPLUS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

|                                    | Hutcheson<br>Cemetery | Stephenson<br>Cemetery | Locks<br>Cemetery | Madill<br>Cemetery | Ilfracombe<br>Cemetery | Total<br>2017     | Total<br>2016     |
|------------------------------------|-----------------------|------------------------|-------------------|--------------------|------------------------|-------------------|-------------------|
| <b>Revenue</b>                     |                       |                        |                   |                    |                        |                   |                   |
| Interest earned                    | \$ 6,395              | \$ 740                 | \$ 592            | \$ 576             | \$ 409                 | \$ 8,712          | \$ 17,830         |
| Monument care collected            | 2,050                 | 450                    | 600               | -                  | -                      | 3,100             | 3,100             |
| Care and maintenance collected     | 11,188                | 640                    | 2,880             | -                  | -                      | 14,708            | 15,232            |
| <b>Total Revenue</b>               | <b>19,633</b>         | <b>1,830</b>           | <b>4,072</b>      | <b>576</b>         | <b>409</b>             | <b>26,520</b>     | <b>36,162</b>     |
| <b>Expenditures</b>                |                       |                        |                   |                    |                        |                   |                   |
| Transfer to Cemetery operations    | 6,395                 | 740                    | 592               | 576                | 409                    | 8,712             | 17,830            |
| <b>Total Expenditures</b>          | <b>6,395</b>          | <b>740</b>             | <b>592</b>        | <b>576</b>         | <b>409</b>             | <b>8,712</b>      | <b>17,830</b>     |
| <b>Net Surplus (deficit)</b>       | <b>13,238</b>         | <b>1,090</b>           | <b>3,480</b>      | <b>-</b>           | <b>-</b>               | <b>17,808</b>     | <b>18,332</b>     |
| <b>Opening Accumulated Surplus</b> | <b>472,691</b>        | <b>57,337</b>          | <b>46,686</b>     | <b>42,673</b>      | <b>31,085</b>          | <b>650,472</b>    | <b>632,140</b>    |
| <b>Closing Accumulated Surplus</b> | <b>\$ 485,929</b>     | <b>\$ 58,427</b>       | <b>\$ 50,166</b>  | <b>\$ 42,673</b>   | <b>\$ 31,085</b>       | <b>\$ 668,280</b> | <b>\$ 650,472</b> |

**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2017**

|  | Hutcheson<br>Cemetery | Stephenson<br>Cemetery | Locks<br>Cemetery | Madill<br>Cemetery | Ilfracombe<br>Cemetery | Total<br>2017     | Total<br>2016     |
|--|-----------------------|------------------------|-------------------|--------------------|------------------------|-------------------|-------------------|
| <b>Financial Assets</b>                    |                       |                        |                   |                    |                        |                   |                   |
| Cash and cash equivalents                  | 11,152                | 871                    | 3,727             | 205                | 96                     | 16,051            | 128,089           |
| Investments (Note 2)                       | 478,471               | 58,126                 | 46,862            | 43,546             | 31,773                 | 658,778           | 514,356           |
| Due from Cemetery Board                    | -                     | -                      | -                 | -                  | -                      | -                 | 8,562             |
|  | <b>\$ 489,623</b>     | <b>\$ 58,997</b>       | <b>\$ 50,589</b>  | <b>\$ 43,751</b>   | <b>\$ 31,869</b>       | <b>\$ 674,829</b> | <b>\$ 651,007</b> |
| <b>Liabilities and Accumulated Surplus</b> |                       |                        |                   |                    |                        |                   |                   |
| Due to Cemetery Board                      | 3,694                 | 570                    | 423               | 1,078              | 784                    | 6,549             | \$ 535            |
| Accumulated surplus                        | 485,929               | 58,427                 | 50,166            | 42,673             | 31,085                 | 668,280           | 650,472           |
|  | <b>\$ 489,623</b>     | <b>\$ 58,997</b>       | <b>\$ 50,589</b>  | <b>\$ 43,751</b>   | <b>\$ 31,869</b>       | <b>\$ 674,829</b> | <b>\$ 651,007</b> |

# THE CORPORATION OF THE TOWN OF HUNTSVILLE TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS  
Year Ended December 31, 2017

## 1. ACCOUNTING POLICIES

### Basis of Accounting

- (a) (i) Sources of financing and expenditures are reported on the accrual basis of accounting.
- (ii) The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Short term Investments

Investments are reported at cost plus accrued interest.

## 2. INVESTMENTS

The Municipality manages its investments with a view to optimizing interest income.

Interest earned on these investments is transferred from the Municipality's Cemetery Trust Funds to the Municipality's operating funds for the purpose of care and maintenance of the cemetery plots and monuments.

Perpetual Care investments, recorded at cost, consist of the following:

|  | Market Value      | 2017              | 2016              |
|--|-------------------|-------------------|-------------------|
| The One investment program money market .  | \$ 34,369         | \$ 34,393         | \$ 34,177         |
| The One investment program bond funds.   | 78,217            | 81,407            | 69,476            |
| The One investment program universal corporate bond.   | 161,425           | 163,335           | 104,479           |
| The One investment program equity fund.  | 237,079           | 191,000           | 136,132           |
| Guaranteed Investment Certificates bearing interest at rates from 1.27% to 1.75% and maturing between November 2018 and July 2021. | 188,643           | 188,643           | 170,092           |
|  | <b>\$ 699,733</b> | <b>\$ 658,778</b> | <b>\$ 514,356</b> |

## 3. CARE AND MAINTENANCE FUND

The Care and Maintenance Fund administered by the Town is funded by the sale of cemetery interment rights and markers. These funds are invested and earnings derived therefrom are used to perform maintenance to the Town's cemeteries. The operations and investments of the fund are undertaken by the Town in accordance with the regulations of the Funeral, Burial and Cremation Services Act, 2002.